

# **FISCAL NOTE**

## **SB 2895 - HB 3233**

February 21, 2004

**SUMMARY OF BILL:** Requires an insurance company to provide a health care provider with verification, within a reasonable time, that a claim was received. The verification must comply with the patient's rights and privacy regulations under federal law. This bill allows notification by electronic and computer methods and the U.S. Postal Service.

### **ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$53,300 Recurring  
\$4,600 One-Time**

Estimate assumes:

- The Department of Commerce and Insurance will require one position and related expenses to respond to additional complaint filings and to contact and review insurance companies when an examination is warranted. The department's role will be similar to that in the regulation of prompt pay requirements.
- The bill may affect the TennCare program depending upon the interpretation of "reasonable period of time", which is not defined in the bill. Some providers still submit paper billings rather than utilizing computer systems. It may be difficult to notify those providers within the prescribed time frame.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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